HIGH LAKE

2015 Annual Report and Closure Submittal

Presented

January 2016

MINERALS AND METALS GROUP
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PROJECT DESCRIPTION:

High Lake

MMG Resources Inc. is an exploration and mining development company focused on base metals. The High Lake deposit is located in the Kitikmeot region of Nunavut, approximately 550km due north of Yellowknife, and 175km to the East Southeast of Kugluktuk. It is roughly 45km from the Coronation Gulf area of the Arctic coast.

The High Lake deposits were first discovered in the mid-1950's, and have been worked on through the years by various companies. MMG obtained the property in 2009 following a series of corporate takeovers and began work in 2010, following up on work done by Texas Gulf, Aber, Wolfden and Zinifex.

The discovery of the "West Zone" in 2003 by Wolfden Resources, located approximately 1.5km to the west of the High Lake camp, caused renewed interest in the property.

In 2008 Zinifex/Oz Minerals took the High Lake property through the initial stages of permitting towards development after the completion of a Pre-Feasibility Study. The property has been the

focus of several years of engineering studies and environmental baseline work, which has continued under MMG.

Regional exploration work surrounding the property in 2009 identified a surface showing 45km to the Southeast of the historic High Lake deposit, initially called MOLYMAG and now referred to as High Lake East. This showing was drilled in 2010 and 2011 to some success, identifying mineralization in a greenstone belt hosted within a similar geological setting to High Lake. The extent of this potential resource remains to be completely defined. The High Lake East property has surface showings of copper, zinc, silver and molybdenum and consists of 25 mineral claims that cover approximately 25,975 ha.

The historic HL camp, which is located on the southwest shore of High Lake, now consists of 5 temporary plywood clad structures, following the removal of 10 wood frame tents and one plywood clad structure during the 2015 reclamation. The camp is located on a government of Canada land lease which has been excluded from the IOL CO-29 land package. This site is convenient due to its proximity to the main High Lake deposit and its historic use as a camp location. The frozen lake surface will take a Hercules in winter which makes it an ideal staging area for annual re-supply to support work in the region. The camp has not been operated since 2013 when some limited work was carried out. It remained closed for the 2014 season and saw limited occupancy in 2015 to support reclamation work carried out both at this site and High Lake East. Maximum occupancy was 10 people.

High Lake East

The High Lake East property has surface showings of copper, zinc, silver and molybdenum and consists of 25 mineral claims that cover approximately 25,975 ha. The High Lake East property sits approximately 40km south-east of the High Lake deposits and the existing High Lake Camp.

Very little historic work has been completed on or near the existing High Lake East Claims. Two periods of government mapping have occurred since the 1960s. The area was mapped at 1:500,000 scale as part of an extensive regional mapping program in 1962 by Bostock et al. In 1986, the area was re-mapped at 1:50,000 scale by Jackson et al. This mapping extended the known package of volcanic rocks south of the James River.

In 1995, several base metal anomalies were identified by Banshee and Snowpipe Resources, but were not investigated in detail.

Interest in the volcanic rocks mapped by Jackson et al (1986) led Zinifex to complete a MEGATEM survey (Fugro Airborne Surveys) over the area in 2007, and ground follow-up of EM responses led to the discovery of base metal-rich boulders.

The campsite at High Lake East is located in a flat area near an esker on the south shore of the James River and sits on Inuit Owned Land Parcel BB-68. (see Figure 1).

Access is by air from Yellowknife in twin otter. Two short esker airstrips allow for ski access in the winter months and wheeled access in the summer with limited payloads. The camp itself no longer exists as the site reclamation completed in 2015 completed the removal of all structures. What remains on the site is stacked drill core. The site did not see occupation during the 2015 season, but was accessed by air from the High Lake site in order to carry out the remaining clean- up activities.

EXPLORATION SUMMARY 2007 – 2014

During the period of MMGs involvement with the High Lake property, continued mapping, sampling and geophysical surveys have resulted in more than 20,000m of diamond drilling conducted in continued work towards identifying an economic resource. The feasibility work undertaken involved not only resource confirmation drilling but also metallurgical testing and geotechnical engineering holes for development planning. The following is a summary of that drilling.

Table I : Drilling Summary

2007					
HOLE ID #	EASTING	NORTHING	DATUM	UTM ZONE	HOLE DEPTH
HLZ-07-206	504243.6	7468205.8	NAD 27	12W	
HLZ-07-207	504501.9	7468413.4	NAD 27	12W	
HLZ-07-208	504873.7	7468903.7	NAD 27	12W	
HLZ-07-209	505068.2	7469223.4	NAD 27	12W	
HLZ-07-210					
HLZ-07-211	504136.5	7465712.3	NAD 27	12W	
HLZ-07-212	501524.8	7457964.9	NAD 27	12W	
HLZ-07-213	501615.5	7458075.0	NAD 27	12W	
HLZ-07-214	501615.0	7458076.0	NAD 27	12	
HLZ-07-215	501492.0	7457907.4	NAD 27	12	
HLZ-07-216	501197.6	7457340.1	NAD 27	12	
HLZ-07-217	501004.9	7457602.3	NAD 27	12	
HLZ-07-218	500432.8	7457441.0	NAD 27	12	
HLZ-07-219	506254.9	7473014.4	NAD 27	12	
HLZ-07-220	504410.2	7472310.8	NAD 27	12	
HLZ-07-221	505040.0	7472730.0	NAD 27	12	
HLZ-07-222	504807.5	7471437.7	NAD 27	12	
HLZ-07-223	505042.5	7472874.1	NAD 27	12	
HLZ-07-224	505118.6	7473102.2	NAD 27	12	

2008					
HOLE ID #	EASTING	NORTHING	DATUM	UTM ZONE	HOLE DEPTH
HLZ-08-225	500593.20	7457176.60	NAD27	12	
HLZ-08-226	507485.00	7487775.00	NAD27	12	
HLZ-08-227	501857.70	7457932.00	NAD27	12	
HLZ-08-228	507486.00	7487775.00	NAD27	12	
HLZ-08-229	501381.16	7457757.77	NAD27	12	
HLZ-08-230	507442.00	7488328.00	NAD27	12	
HLZ-08-231	507496.00	7487651.00	NAD27	12	
HLZ-08-232	507615.04	7485700.00	NAD27	12	
HLZ-08-233	507570.00	7487200.00	NAD27	12	
HLZ-08-234	507785.00	7487775.00	NAD27	12	
2009					
HOLE ID #	EASTING	NORTHING	DATUM	UTM ZONE	HOLE DEPTH
CNL-09-001	495166	7447101	NAD27	12	
CNL-09-002	494973	7447011	NAD27	12	
CNL-09-003	495095	7447069	NAD27	12	
CNL-09-004	495243	7447162	NAD27	12	
2010					
HOLE ID #	EASTING	NORTHING	DATUM	UTM ZONE	HOLE DEPTH
HLE-10-001	539836	7443143	NAD83	12N	201
HLE-10-002	539836	7443143	NAD83	12N	171
HLE-10-003	539781	7443358	NAD83	12N	308
HLE-10-004	540220	7443361	NAD83	12N	444
HLE-10-005	539879	7444424	NAD83	12N	249
HLE-10-006	539879	7444425	NAD83	12N	285
HLE-10-007	539899	7444518	NAD83	12N	300
HLE-10-008	538759	7444958	NAD83	12N	165
2011					
HOLE ID #	EASTING	NORTHING	DATUM	UTM ZONE	HOLE DEPTH
HLE-11-010	539700	7443260	NAD83	12N	372
HLE-11-011	539858.2	7443399	NAD83	12N	174
HLE-11-012	539756.3	7443614	NAD83	12N	297
HLE-11-013	540118.5	7444411	NAD83	12N	223
HLE-11-014	540118.4	7444411	NAD83	12N	81
HLE-11-015	539884	7444432	NAD83	12N	266
HLE-11-016	539871	7444480	NAD83	12N	455
HLE-11-017	539764	7444160	NAD83	12N	341
HLE-11-018	540386.8	7443758	NAD83	12N	713
HLE-11-019	539516.7	7444046	NAD83	12N	290
HLE-11-020	539812.7	7443413	NAD83	12N	332
HLE-11-021	539737.8	7443560	NAD83	12N	512
HLE-11-022	539887.5	7444623	NAD83	12N	500
HLE-11-023	536131.7	7444610	NAD83	12N	161
HLE-11-024	536277	7444934	NAD83	12N	170
HLE-11-025	538723.8	7444897	NAD83	12N	215

HLE-11-026	539779.5	7443722	NAD83	12N	515
HLE-11-027	540205	7443945	NAD83	12N	279
HLE-11-028	539765	7443891	NAD83	12N	350
HLE-11-029	539777	7443769	NAD83	12N	740
2012					
HOLE ID #	EASTING	NORTHING	DATUM	UTM ZONE	HOLE DEPTH
HLGT-WZ-09	504792.4	7472592.9	NAD83	12N	358.4
HLGT-WZ-10	504792.4	7472592.9	NAD83	12N	358.4
HLGT-WZ-08	505147.2	7472568.4	NAD83	12N	359.8
HLGT-D-21	506503.0	7473231.0	NAD83	12N	350.9
HLGT-D-20	506532.0	7473266.0	NAD83	12N	347.4
HLGT-D-19	506532.0	7473266.0	NAD83	12N	347.4
HLGT-D-22	506532.0	7473266.0	NAD83	12N	347.4
HLGT-D-23	506562.1	7473322.1	NAD83	12N	335.5
HLGT-D-24	506562.1	7473322.1	NAD83	12N	335.5
HLGT-D-18	506699.4	7473346.3	NAD83	12N	298.9
HLGT-AB-11	506466.0	7473996.0	NAD83	12N	308.0
HLGT-AB-12	506355.0	7473969.0	NAD83	12N	322.0
HLGT-AB-13	506349.0	7473918.0	NAD83	12N	329.0
HLGT-AB-14	506290.0	7473979.0	NAD83	12N	326.7
HLGT-AB-15	506290.0	7473979.0	NAD83	12N	326.7
HLGT-AB-16	506355.0	7473969.0	NAD83	12N	322.0
HLGT-AB-17	506231.0	7473978.0	NAD83	12N	341.0
Resource Definition Holes					
HLK-RES-01	506315.3	7473950	NAD83	12N	320
HLK-RES-02	506312	7473994	NAD83	12N	310
HLK-RES-03	506408	7473971	NAD83	12N	304
HLK-RES-04	506407.505	7474001.75	NAD83	12N	300
HLK-RES-05	506518	7473224	NAD83	12N	345
HLK-RES-06	506639.8	7473227.45	NAD83	12N	300
HLK-RES-07	504977.859	7472631.26	NAD83	12N	350
HLK-RES-08	504952.216	7472604.9	NAD83	12N	325.1
Geotechnical Holes					
BGC12-101	505959	7473002	NAD83	12N	13.5
BGC12-102	505977	7473133	NAD83	12N	15.0
BGC12-104	506120	7473270	NAD83	12N	15.1
BGC12-105	506251	7473534	NAD83	12N	21.0
BGC12-106	506284	7473543	NAD83	12N	15.0
BGC12-108	506175	7474740	NAD83	12N	15.7
BGC12-109	506075	7474520	NAD83	12N	14.8
BGC12-111	506278	7474380	NAD83	12N	14.2
BGC12-110	506370	7474315	NAD83	12N	20.8
BGC12-107	506333	7474222	NAD83	12N	15.4
BGC12-103	506370	7474314	NAD83	12N	15.5
BGC12-112	507671	7485301	NAD83	12N	14.1
BGC12-113	507764	7484519	NAD83	12N	16.5

BGC12-114	507805	7484223	NAD83	12N	13.6
BGC12-115			NAD83	12N	20.3
BGC12-116	505984	7473345	NAD83	12N	16.0

FIELD PROGRAM 2015:

The historic High Lake camp was opened and occupied in March, and remained operational until August, with periods of non-occupancy. The early opening facilitated the removal of remaining fuel from caches on site, and its transport to both Yellowknife and Kugluktuk. The majority of fuel was purchased by a 3rd party conducting work in the Kitikmeot Region. The completion of Reclamation of the High Lake East site was completed. Removal of the remaining equipment (kitchen utensils and appliances/washer/dryer/water heater), and tent frames was carried out. Materials were transported back to High Lake for removal to Yellowknife and disposal by appropriate means. The High Lake site was used throughout the season as an operational base for the continued reclamation work.

Camp population in 2015 did not exceed 6 individuals.

FEILD PROGRAM 2016:

No field work will be carried out in 2016 and the site (now reduced to the Surface Lease footprint) has been put on long term care and maintenance.

MMG plans to close out the existing Land Use Permits on both Crown and IOL ground surrounding the Surface Leases.

Figure 1: Project Location

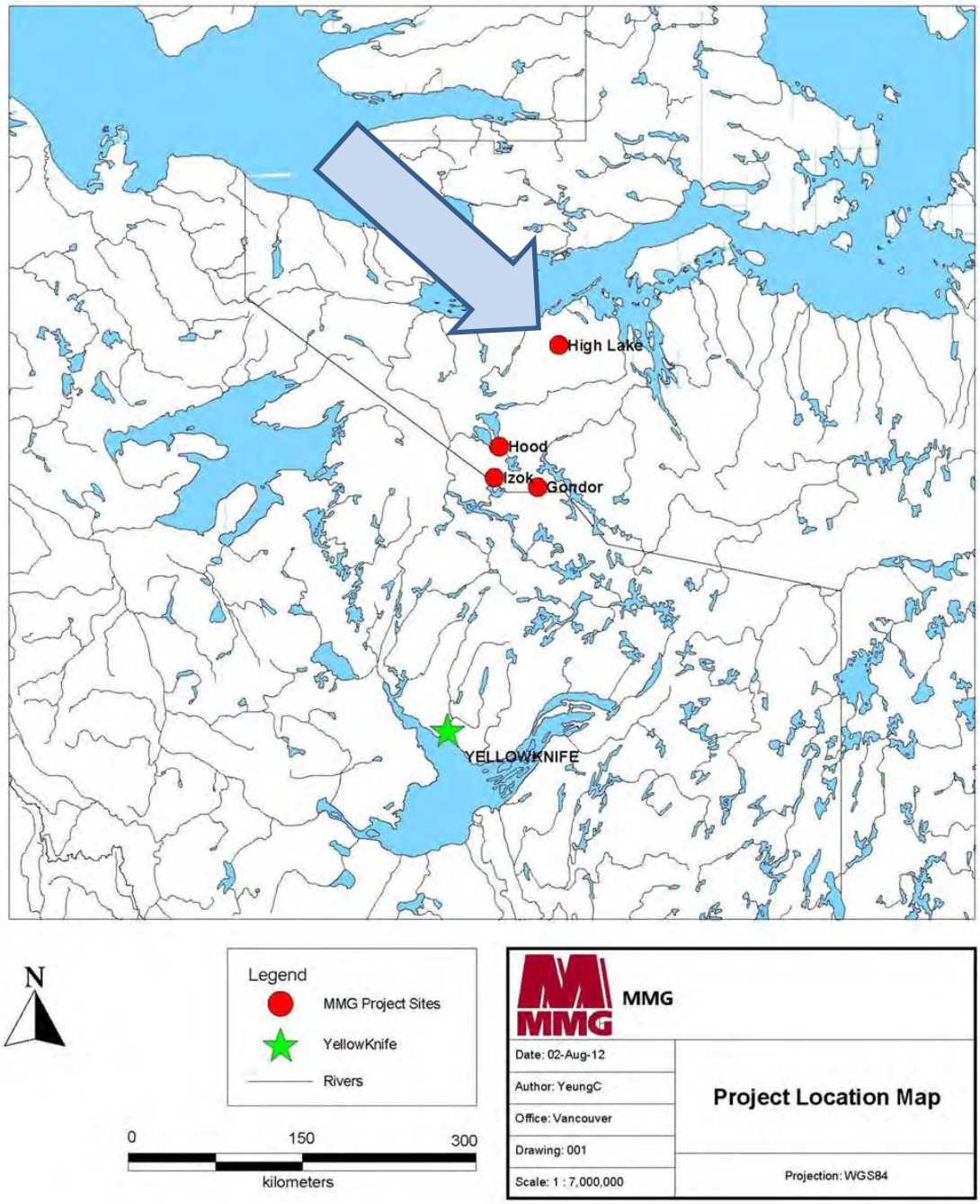


Figure 2: Permitted Areas of Work

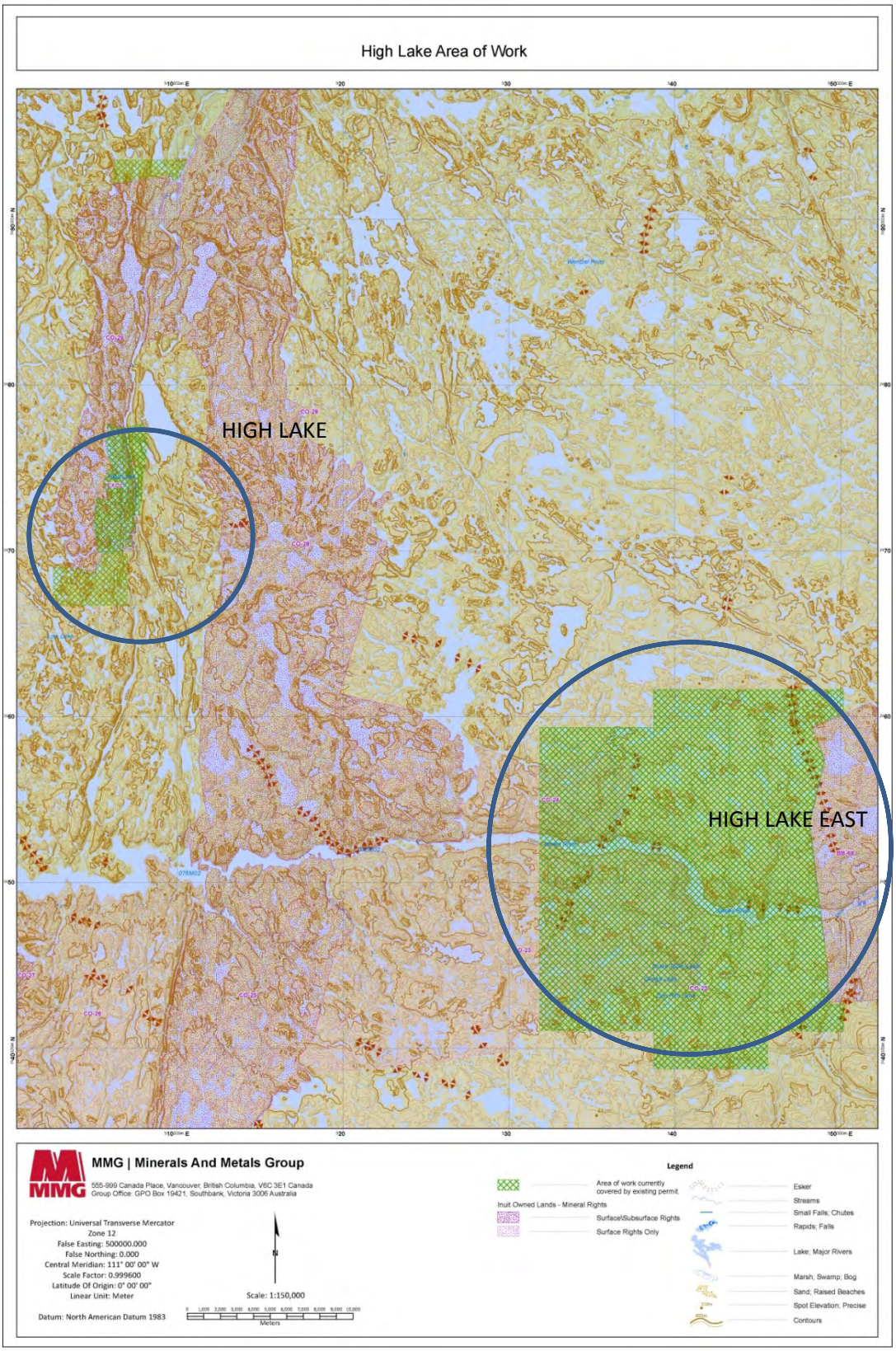
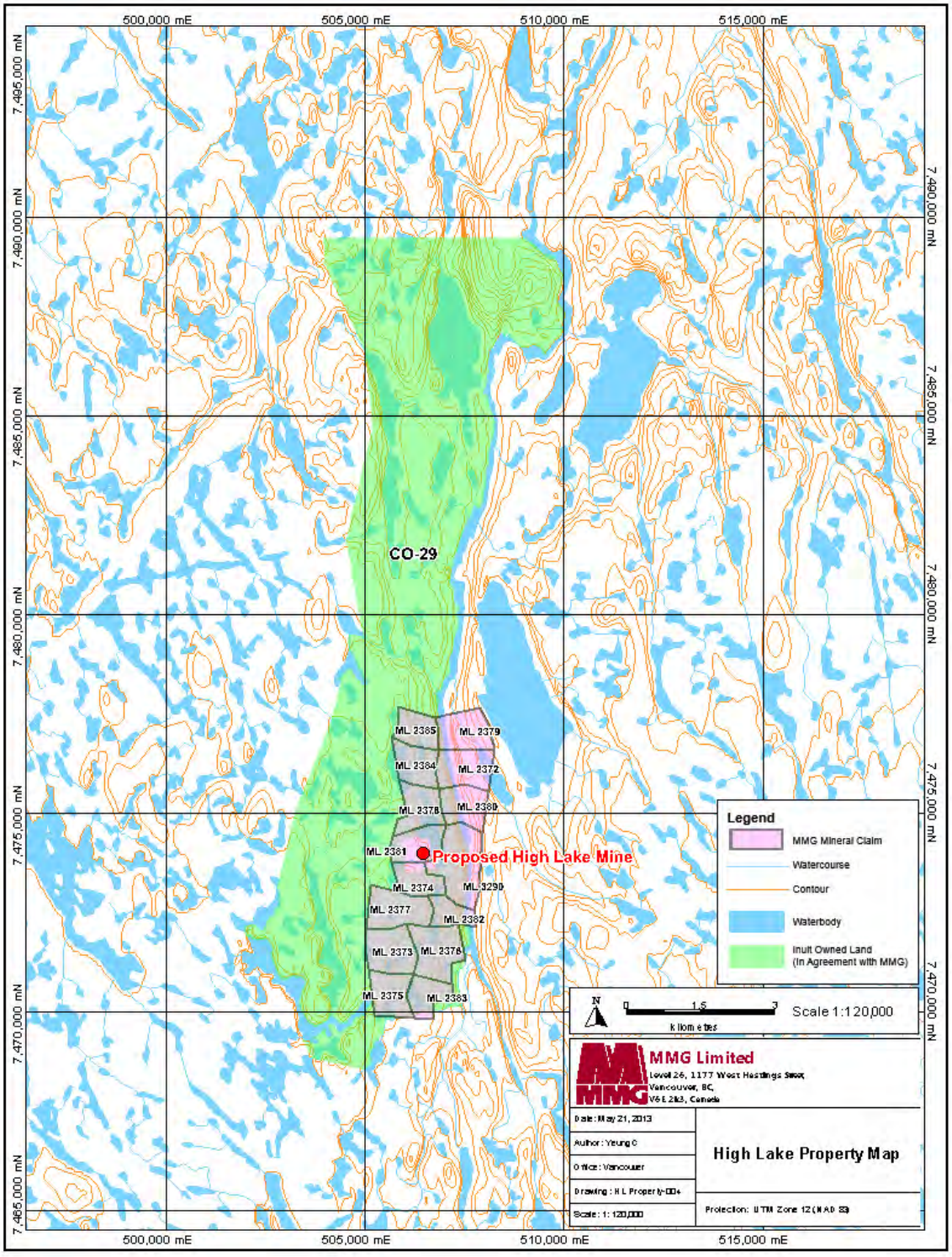

High Lake Area of Work
HIGH LAKE
HIGH LAKE EAST
MMG | Minerals And Metals Group
555-999 Canada Place, Vancouver, British Columbia, V6C 3E1 Canada
Group Office: GPO Box 19421, Southbank, Victoria 3006 Australia
Projection: Universal Transverse Mercator
Zone 12
False Easting: 500000.000
False Northing: 0.000
Central Meridian: 111° 00' 00" W
Scale Factor: 0.999600
Latitude Of Origin: 0° 00' 00"
Linear Unit: Meter
Datum: North American Datum 1983
Scale: 1:150,000
Meters
Legend
Area of work currently covered by existing permit
Inuit Owned Lands - Mineral Rights
Surface\Subsurface Rights
Surface Rights Only
Esker
Streams
Small Falls; Chutes
Rapids; Falls
Lake; Major Rivers
Marsh, Swamp; Bog
Sand; Raised Beaches
Spot Elevation; Precise
Contours

Figure 3: High Lake Detailed Property Map



ENVIRONMENTAL:

Studies related to feasibility work have been reduced to collection of weather station data. Data is routinely monitored during field operations, and recorded data is downloaded from recorders on an annual basis.

No drilling was carried out in 2015. Water usage volumes for industrial purposes, sampling records and laboratory analysis of those samples normally provided with this annual report are therefor, absent.

2015 saw reclamation work carried out in an effort to close out the Land Use permits presently associated with Crown and IOL ground surrounding the High Lake leases.

WATER USAGE:

Water usage is divided into Industrial and Domestic applications, and is monitored. Water usage reporting is normally included in the appendices. The project is presently permitted for 100m3 per day total volume for both applications. On average the Camp consumes roughly 4m3 per day during capacity occupancy. During the 2015 field season the camp was sparsely occupied and therefor the numbers presented represent a decrease in usage volume. The High Lake camp draws its water from High Lake by means of a submersible electric pump. The intake on the pump is screened.

Industrial usage is limited to those activities associated with drilling. There was no drilling carried out in the 2015 season.

WILDLIFE:

Wildlife encounters and sightings during operations are normally documented by field personnel. A copy of the log is usually included in the appendices. As specified in our permit, low level flying is avoided unless absolutely necessary for operations and special care is taken during sensitive periods of animal life cycles. A copy of the current Wildlife Management Plan for MMGs operations in the Slave is included in digital format with the other supporting documents for this report.

COMMUNITY:

MMG retains the services of Mr. Donald Havioyak, who acts as our community liaison out of Kugluktuk, the closest community to the project site. His primary job is to keep local community members informed of our exploration activities, and address concerns and questions they may have on behalf of the company. He is also instrumental in the hiring of local staff,

aiding applicants in resume preparation and conducting initial interviews on our behalf. A single local hire was employed at High Lake during the 2015 season and man days are presented below.

Table I

Employee Name	Community	Mandays
Carl Katiak	Kugluktuk	79
TOTAL		**79**

FLIGHT LOGS / AIR OPERATIONS:

The High Lake site was active between the months of March and May during the 2015 season. It A helicopter on station supported clean up activities and provided access to the High Lake East site. There were regular flights into the High Lake site for both supplies and the completion of reclamation work at both the High Lake and High Lake East sites. The table below summarizes air operations at High Lake.

During operations, low level flight is avoided in order to minimize noise impacts on local wildlife. When operational areas coincide with migration paths or calving grounds, activity is suspended during the corresponding seasons.

Table II

MONTH	FIXED WING FLIGHTS	HELICOPTER HOURS
March	8	38.6
April	2	18.5
May	3	19.2
June	-	-
July	-	-
August	-	-
September	-	-
TOTAL	**13**	**76.3**

RECLAMATION WORK:

The 2015 field program saw a small crew opening camp in March in order to construct an ice airstrip to support heavy airlift for the removal of remaining fuel. All fuel was purchased by a 3rd party and transported from site to either Kugluktuk or Yellowknife. Reclamation work carried out in 2015 included the complete removal of all remaining presence at the High Lake East site. Remaining structures following the 2014 effort were dismantled and removed. Reclamation work on LUP permitted ground around the historic High Lake site included cleaning up the remaining drill equipment and drill lay down area, removing all fuel from the caches and transporting it from site, and dismantling the remaining wood frame tents, helicopter pad/maintenance shack, and plywood clad core shack. Remaining site structures are now contained within the Surface Lease. In addition, work continued around cutting off at ground level and capping exposed drill stems from historic drilling around the site.
The following table shows the nature and weights of equipment and waste removed from the High Lake site during the period of March - April.

WASTE TYPE	TOTAL WEIGHT (LBS)	DESTINATION
Drill equipment	9,000	Major Drilling, Yellowknife
Crushed Drums	22,745	Returned to FuelFlo, Yellowknife
Drilling fluids and salt	2,000	Sold to Discovery Mining Services
Camp equipment	3,000	MMG storage in Yellowknife
Waste materials	6,500	KBL Environmental for disposal
TOTAL	43,245	

WASTE REMOVAL:

All burnable waste is incinerated on site by a diesel powered forced air furnace. Waste that is not approved for burning, or that is identified as recyclable is removed from the waste stream. Incineration ash is collected and sealed in empty 45 gallon fuel drums for transport back to Yellowknife. Waste is handled by expediters in Yellowknife and transferred over to KBL Environmental for appropriate disposal. Transport and final disposal certificates from KBL have been included in the appendices. Waste that involves petroleum or other chemical products is transported by KBL to Edmonton for disposal in a certified facility. Human waste is collected daily from 'pacto' style toilets and incinerated on site. The updated Waste Management Plan for the Slave Project sites is included in the appendices.

ABANDONMENT AND RESTORATION:

The Abandonment and Restoration Plans were updated in February of 2013. The Plan has been included with this annual report in digital format along with other supporting documents. The plan normally undergoes annual review in accordance with the activities anticipated every

December, and if necessary modifications are made. However as the remaining fuel and lubricants have now all been removed from site, and the plan is for long term care and maintenance without occupancy, the plan remains unchanged.

SITE INSPECTIONS:

Visual site inspections of the High Lake and surrounding associated operational areas were conducted in July by Eva Paul of Aboriginal Affairs and Northern Development Canada (AANDC), her inspection reports are provided in the appendices. The Kitikmeot Inuit Association also visited both the High Lake and High Lake East sites, and their subsequent reports are also included. Its worth noting that MMG field crew working on site reclamation were commended for their work in the reports.

PERMITTING:

Exploration Permits for the High Lake project underwent renewal in 2012, including the Water License (Nunavut Water Board) and the Land Use Permit (Aboriginal Affairs and Northern Development Canada). The new permit numbers under which the site has been operating are as follows:

Water License # 2BE – HIG1217
Land Use Permit # N2011C0033
KTL# 308C008

Close-out inspections with KIA and AANDC for the High Lake and High Lake East sites were coordinated during 2015 with regards to the currently active LUP's. It is MMGs intention to close out the Land Use Permits with the AANDC and KIA for Crown and IOL lands surrounding the project site. The site footprint is now confined to the Surface Lease. Copies of these Permits are included in the Apendices.

During 2015 an open burning license was issued by the Nunavut Water Board in order to facilitate reclamation activities and a copy of that permit as well is provided.

Appendix I : Site Inspections

Aboriginal Affairs and Northern Development Canada | Affaires autochtones et Développement du Nord Canada

WATER LICENCE INSPECTION FORM

☒ Original
☐ Follow-Up Report

Licensee MMG	**Licensee Representative** Peter Cullinane
Licence No. / Expiry 2BE-IZO1217	**Representative's Title** Field Program Manager
Licence No. / Expiry 2BE-HIG1217	**Land / Other Authorizations**
Date of Inspection July 14 and 15, 2015	**Inspector** Eva Paul

Activities Inspected
☒ Camp ☐ Drilling ☐ Mining ☐ Construction ☒ Reclamation ☒ Fuel Storage
☐ Roads/Hauling ☐ Other: ☐ Other:

Conditions: A - Acceptable C - Concern U - Unacceptable NA – Not Applicable NI – Not Inspected

Water Use	Condition	Comment	Site Conditions	Condition	Comment	Haz/Mat Management	Condition	Comment
Intake/Screen	A		Water Management Structures	A		Storage	A	4
Flow Measure. Device	A		Culverts / Bridges	N/A		Spills	A	
Source: Ham Lake	A		Drainage	A		Spill Plan	A	
Water Use:	A		Erosion / Sediment	A				
Recirculation (y /n)	A		Mitigation Measures	A		Administrative		
			Reclamation Activities	A	3	Records	A	
			Materials Storage	A		Reports	NI	
Waste Disposal			Signage	A		Plans	NI	
Waste Water	A					Notifications	A	
Solid Waste	A	1	Monitoring			Other		
Hazardous Waste	A	2	Sample Collection / Analysis	NA		Future closure	A	5

**The number in the comments field will correspond with specific comments provided below.*

Samples taken by Inspector:	Location(s):
☐ Yes ☒ No	

SECTION 1 ☒ Comments (s.1 and 2) ☐ Non-Compliance with Act or Licence (N/A) ☐ Action Required (N/A)

MMG is preparing its two Nunavut projects for longer-term closure. An inspection was conducted on July 14 and 15 of camps and reclamation activities pertaining to MMG's 2BE-IZO1217 and 2BE-HIG1217 licences.

Izok Lake Project: Ham Lake Camp (N65°41'08, W112°52'49) and Hood Core Facility (N66°05'04", W112°43'06")

High Lake Project: High Lake Camp (N67°22'44", W110°50'40") and High Lake East/Moly Mag Camp (N67°08'36", W109°52'03")

I was accompanied by Peter Cullinane, Field Program Manager for the projects. MMG graciously hosted me for several days at Izok to conduct work in the area, allowing for a fulsome understanding of the work that has been undertaken at these sites. It is clear from the state of the camps that MMG's focus this season has been to eliminate any environmental liability from the closure of the projects. Work was completed at High Lake in the spring, and three people were on-site at Izok to carry out the camp closure.

1. An impressive amount of waste has been backhauled. Nothing but neatly stacked drill rod was in evidence at High Lake. Several more loads were anticipated from Izok following my inspection. Backhaul records were available for inspection.
2. Peter indicated that hazardous waste is all anticipated to be removed from site at Izok, and has been removed from High Lake. The few waste barrels that remain at Izok are currently in use, labelled, and contained within a berm.

Canada

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SECTION 2	☒ Comments	☐ Non-Compliance with Act or Licence	☐ Action Required

3. The footprint of the facilities has been greatly reduced, and areas no longer in use have been contoured and are restricted from access to promote re-vegetation. Several tents were removed from High Lake, as well as the core/cutting shacks. High Lake East (Moly Mag) has been completely removed with only core racks remaining. Drilling equipment that remains at Izok is ready for backhaul
4. MMG is working with a nearby project to re-distribute consumables such as fuel, drill lubricants, and drill salt. All fuel and drill supplies were removed from High Lake. Peter indicated that all the remaining fuel at Izok would be consumed or removed from site prior to closure. Bulk fuel tanks have been emptied and swabbed out to prevent any potential for leakage. Vents and hoses are sealed. Only minimal hazardous materials will remain on-site, and those are in containment and within structures. The majority of the vehicles and equipment have been drained of fluids to eliminate leaks.
5. I am impressed with the measures that have been taken to all-but-eliminate potential future environmental liability from this site. Occasional monitoring of the remaining facilities will be required, and if permanent closure of the sites are sought, or cancellation of the water licences, then all of the requirements of the Abandonment and Restoration Plan, as well as of the Licence (Part I) must be met.

It has been a pleasure to inspect and work out of MMG's sites since I came to AANDC. MMG's excellent standing in compliance and environmental stewardship has made a mark in the region (as well as removing many) under Peter's leadership.

SECTION 3	☐ Comments	☐ Non-Compliance with Act or Licence	☐ Action Required

N/A

Licensee or Representative	Inspector's Name
PETER CULLINANE	Eva Paul
Signature	Signature
Date: JULY 16 2015	Date: 16-7-15

Office Use Only: Follow-up report to be issued by Inspector ☐ Yes ☒ No

P.O. Box 360
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Fax (867) 982-3311
www.kitia.ca

September 1, 2015

Peter Cullinane
Field Program Manager
MMG Resources Inc.

Via Email: peter.cullinane@mmg.com

Re: 2015 Inspection Report Summary for Inuit Owned License KTL308C008 for MMG Resources Inc.'s High Lake East Property

Dear Peter:

Pursuant to the issued terms and conditions, the Kitikmeot Inuit Association (KitIA) Department of Lands, Environment and Resources is responsible to monitor compliance of the project in accordance with Inuit Owned Land Use License KTL308C008. As part of the monitoring, the objective of the 2015 site inspection was to determine the current condition of the site and to identify issues of concern and what should be focused upon future inspections.

The inspection of the High Lake East property was conducted on July 24, 2015. The attached site inspection report identifies the conditions of the inspected project site components.

Should you have any questions or would like any clarifications I can be contacted by phone at (867) 982-3310 or by email at landsofficerkia@qiniq.com.

Sincerely,

Tamris Bolt
Project Officer

Enclosed: 150901-KTL308C008-2015 Inspection Report

Kitikmeot Inuit Association

Department of Lands & Environment

2015 Inspection Report

For

MMG Resources Inc.'s

High Lake East Property KTL3080008

Project:	High Lake East
License:	KTL308C008
Project Owner:	MMG Resources Inc. 1177 West Hastings Street Vancouver, BC V6E 2K3
Site Location:	High Lake East
Date of Inspection:	July 24th, 2015
Contact:	Peter Cullinane, Field Program Manager
Conducted By:	Tannis Bolt, Project Officer Keisha Westwood, Summer Student

Site History and Brief Introduction of the High Lake East Property:

The High Lake East campsite is located on Inuit Owned Land (IOL); in the Kitikmeot region of Nunavut, approximately 200km east of Kugluktuk, Nunavut.

On February 25th, 2015 the Kitikmeot Inuit Association (KitIA) Department of Lands and Environment renewed and issued License Number KTL308C008 to MMG Resources Inc. The current license allows for the following types of operation for the High Lake East Project for IOL parcels CO-23, CO-24, CO-25, CO-27, and CO-29; staking, prospecting, geological surveying (geophys-grid/air), drilling (diamond/ice etc.), and fuel caching.

Objectives and Purpose of the 2015 Site Inspection:

Pursuant to the issued Terms and Conditions, the KitIA is responsible to monitor compliance of the Project in accordance with Inuit Owned Land Use License KTL308C008. As part of the monitoring, the objective of the KitIA's 2015 site inspection was to determine the current condition of the site and to identify issues of concern and what should be focused upon future inspections.

2015 Inspection Comments:

Prior to the site inspection, the 2013 KitIA Inspection Report for KTL308C008 for the High Lake Property (September 2013) was reviewed.

The 2015 site inspection of the High Lake East Project was accompanied by Jeff Campeau of MMG Resources Inc.

The KitIA is very satisfied with the demobilization of the High Lake East site and the efforts by MMG Resources Inc. to restore the area to conditions prior to any activities. The KitIA would desire to see all companies in the exploration industry strive to achieve the same high standard and level of detail as demonstrated by MMG Resources Inc.

Prepared by: Tannis Bolt
Title: Project Officer

Signature: 

Appendix II : Permitting

NUNAVUT WATER BOARD
WATER LICENCE RENEWAL

Licence No. 2BE-HIG1217

Pursuant to the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Agreement Between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada*, the Nunavut Water Board, hereinafter referred to as the Board, hereby grants to

MMG RESOUCES INC.
(Licensee)
LEVEL 16, 1177 WEST HASTINGS STREET, VANCOUVER, BC, V6E 2K3
(Mailing Address)

hereinafter called the Licensee, the right to alter, divert or otherwise use water or dispose of waste for a period subject to restrictions and conditions contained within this Licence renewal:

Licence Number/Type:	2BE-HIG1217 TYPE "B"
Water Management Area:	NUNAVUT 07
Location:	HIGH LAKE PROJECT, KITIKMEOT REGION, NUNAVUT
Classification:	MINING AND MILLING UNDERTAKING
Purpose:	DIRECT WATER USE AND DEPOSIT OF WASTE
Quantity of Water use not to Exceed:	ONE HUNDRED (100) CUBIC METRES PER DAY
Date of Licence Issuance:	MAY 30, 2012
Expiry of Licence:	MAY 31, 2017

This Licence renewal and recorded at Gjoa Haven, Nunavut, includes and is subject to the annexed conditions.

Thomas Kabloona,
Nunavut Water Board
Chair

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NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI
OFFICE DES EAUX DU NUNAVUT

File No.: 2BE-HIG1217/TR/D2
2BE-IZO1217/TR/D2

March 25, 2015

Ted Muraro
Operations Manager – Exploration Canada
MMG Resources Inc.
Level 26, 1177 West hastings Street
Vancouver, BC V6E 2K3
E-mail: Theodore.Muraro@MMG.com

RE: ***Licenses No. 2BE–HIG1217 and 2BE-IZO1217, Type "B", MMG Resources Inc.; Request to Carry out Open Burning of Acceptable Materials.***

Dear Mr. Muraro:

The Nunavut Water Board ("NWB") received on January 14, 2015 a request from MMG Resources Inc. (MMG) to complete controlled open burning, at High Lake Camp at the High Lake Project and Ham Lake Camp at the Izok Project, of acceptable materials (untreated wood materials such as paper, cardboard and wood), without the use of an incinerator. It was stated that proposed activities are related to the "*complete removal and closure of High lake East Camp on the James River at High Lake Project, as well as to the continued reduction and reclamation around the both the historic High Lake site and the Izok site (Ham Lake Camp)*".

On February 18, 2015, the NWB acknowledged receipt and distributed the request to interested persons and parties for a thirty (30) day review period. Comments were received from Aboriginal Affairs and Northern Development Canada (AANDC) and Environment Canada (EC) on March 18, 2015, and from Kitikmeot Inuit Association (KIA) on March 4, 2015.

Upon review of the request, supporting documentation, terms and conditions in Licenses No. 2BE-HIG1217 and 2BE-IZO1217, and submissions from interested persons and/or parties, the NWB is satisfied that the activity, as proposed by the Licensee, would not directly or indirectly impact surface and groundwater, which is a requirement under Section 12.1(a), (b) of *the Nunavut Waters and Nunavut Surface Rights Tribunal Act*, and maintain its obligations to adhere to the terms and conditions in licenses. The NWB has, therefore, approved the request under motions No. 2014-B1-042 and 2014-B1-043, dated March 25, 2015, for an open burning of untreated and unpainted wood materials to be carried out in summer 2015 (or over the course of 2015).

The Licensee is obligated to provide a minimum of ten (10) days notification to the AANDC Inspector (867-975-4295) in advance of any open burning event. This notification must detail the following:

a. Quantity and details of waste to be burned;
b. Proposed dates of open burning event;
c. Protocol to be followed for open burning; and
d. Person responsible for carrying out the burn.

It should be noted that soil sampling may also be required at the Inspector's discretion. The Licensee is reminded of its obligations to comply with all of the terms and conditions in its Licence as well as all applicable regulations and established guidelines[1, 2, 3, 4], which apply to open burning in Nunavut. In addition, the NWB has included as Appendix A, a summary of additional practices for carrying out the activity. The Licensee is further obligated to follow the best practices for open burning that are detailed in Appendix A. A report of the open burn event and the burn site cleanup, including photos of the site, must be included in the Annual Report (i.e. for every year that open burning has been authorized) required under Part B, Item 2 of the Licence.

Should you have any questions, please feel free to contact the undersigned at 867-360-6338 ext. 30 or by email at karen.kharatyan@nwb-oen.ca, at your earliest convenience.

Yours truly,

Karén Kharatyan
Technical Advisor

Cc: Distribution List – Kitikmeot

1 Guidelines for the Planning, Design, Operations and Maintenance of Modified Solid Waste Sites in the NWT, Ferguson Simek Clark Engineers & Architects, FSC
2 CCME Canada-Wide Standards for Dioxins and Furans: http://www.ccme.ca/assets/pdf/d_and_f_standard_e.pdf
3 EC Technical Document for Batch Waste Incineration: http://www.ec.gc.ca/gdd-mw/default.asp?lang=En&n=F53EDE13-1
4 GN DOE Environmental Guideline for the Burning and Incineration of Solid Waste: http://www.gov.nu.ca/env/Open%20burning.pdf

Aboriginal Affairs and Northern Development Canada | Affaires autochtones et Développement du Nord Canada

Land Administration
P.O. Box 100
IQALUIT, NU X0A 0H0
Phone: 867-975-4283
FAX: 867-975-4286

March 16, 2015

MMG Resources Inc.
Level 26-1117 West Hastings St.
Vancouver, BC
V6E 2K3

Dear Ted Muraro,

Re: Land Use Permit #N2011C0033
Type of Operation: Mining (Exploration)
Location: Roberts Bay Area, Kitikmeot, NU, NTS 77A

Further to our letter dated January 22nd, 2015, this will confirm that the above land use permit is hereby extended from January 29th, 2015, to January 29th, 2016.

Please note that this will be the final extension permitted on this Land Use Permit. If your activities extend beyond the expiry date we ask that you submit a new application for Land Use Permit.

All conditions annexed to land use permit N2011C0033 will apply to this extension.

Sincerely,

Nicholas Kavanagh
Land Administrator Specialist

cc: Manager, Field Operations
RMO - Kitikmeot
NIRB

P.O. Box 360
Kugluktuk, NU X0B 0E0
Telephone: (867) 982-3310
Fax: (867) 982-3311
www.kitia.ca

February 25, 2015

Theodore Muraro
MMG Resources Inc.
2600-1177 West Hastings St.
Vancouver, BC, V6E 2K3

Via Email: Theodore.Muraro@mmg.com

Re: Renewed Inuit Owned License KTL308C008 for MMG Resources Inc.'s High Lake and High Lake East Property

Dear Ted Muraro:

The Kitikmeot Inuit Association (KitIA) Department of Lands, Environment and Resources (DLER) has completed the review of MMG Resources Inc.'s High Lake and High Lake East project renewal application to Inuit Owned Land (IOL) License **KTL308C008**.

Please see attached renewed IOL License KTL308C008 effective today with an expiry date of February 25, 2016 and the Terms and Conditions.

Please have an authorized signatory sign all attached documents and email back to our office at landsofficerkia@qiniq.com .

Should you have any questions or would like any clarifications in the terms of the issuance of the IOL License or the Terms and Conditions; I can be contacted by phone at (867) 982-3310.

Sincerely,

Wynter Kuliktana
Lands Officer
Kitikmeot Inuit Association
Dep't of Lands, Environment & Resources
Kugluktuk, Nu, X0B 0E0
Phone: (867) 982-3310 Fax: (867) 982-3311

Attached: 150225-KTL308C008-Renewed License-Terms and Conditions (License and Terms and Conditions)

Appendix III : Water Usage

Summary

2015
WATER USAGE TRACKING
HIGH LAKE AND IZOK PROJECTS

	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER
PROJECT	*HIGH LAKE*	*HIGH LAKE*		*IZOK*	*IZOK*	*IZOK*	
CAMP USE (DOMESTIC)	27.4	4.9	0.0	53.7	50.1	54.9	0.0
CORE SHACK	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	191.0	M^3					

March

2015
WATER USAGE TRACKING
HIGH LAKE PROJECT

	Wednesday, 4 March 2015	Thursday, 5 March 2015	Friday, 6 March 2015	Saturday, 7 March 2015	Sunday, 8 March 2015	Monday, 9 March 2015	Tuesday, 10 March 2015	Wednesday, 11 March 2015	Thursday, 12 March 2015	Friday, 13 March 2015	Saturday, 14 March 2015	Sunday, 15 March 2015	Monday, 16 March 2015	Tuesday, 17 March 2015	Wednesday, 18 March 2015	Thursday, 19 March 2015	Friday, 20 March 2015	Saturday, 21 March 2015	Sunday, 22 March 2015	Monday, 23 March 2015	Tuesday, 24 March 2015	Wednesday, 25 March 2015	Thursday, 26 March 2015	Friday, 27 March 2015	Saturday, 28 March 2015	Sunday, 29 March 2015	Monday, 30 March 2015	Tuesday, 31 March 2015	TOTALS
CAMP USE (DOMESTIC)		1.43	0.25	0.7	1.05	0.75	0.75	0.75	0.65	1.75	0.85	0.77	0.95	0.8	1.05	1.23	0.87	0.88	1.32	1.13	1.02	0.89	1.47	1.33	1.26	1.2	1	1.3	27.4
CORE SHACK																													0.0
DAILY TOTALS	0.0	1.4	0.3	0.7	1.1	0.8	0.8	0.8	0.7	1.8	0.9	0.8	1.0	0.8	1.1	1.2	0.9	0.9	1.3	1.1	1.0	0.9	1.5	1.3	1.3	1.2	1.0	1.3	
MONTH TOTAL	27.4																												

April

2015
WATER USAGE TRACKING (CUBIC METERS)
HIGH LAKE PROJECT

	Wednesday, 1 April 2015	Thursday, 2 April 2015	Friday, 3 April 2015	Saturday, 4 April 2015	Sunday, 5 April 2015	Monday, 6 April 2015	Tuesday, 7 April 2015	Wednesday, 8 April 2015	Thursday, 9 April 2015	Friday, 10 April 2015	Saturday, 11 April 2015	Sunday, 12 April 2015	Monday, 13 April 2015	Tuesday, 14 April 2015	Wednesday, 15 April 2015	Thursday, 16 April 2015	Friday, 17 April 2015	Saturday, 18 April 2015	Sunday, 19 April 2015	Monday, 20 April 2015	Tuesday, 21 April 2015	Wednesday, 22 April 2015	Thursday, 23 April 2015	Friday, 24 April 2015	Saturday, 25 April 2015	Sunday, 26 April 2015	Monday, 27 April 2015	Tuesday, 28 April 2015	Wednesday, 29 April 2015	Thursday, 30 April 2015	TOTAL
CAMP USE (DOMESTIC)	0.9	1.3	1.2	0.8	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.850
CORE SHACK																															0.0
DAILY TOTALS	0.9	1.3	1.2	0.8	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
MONTH TOTAL	4.9																														

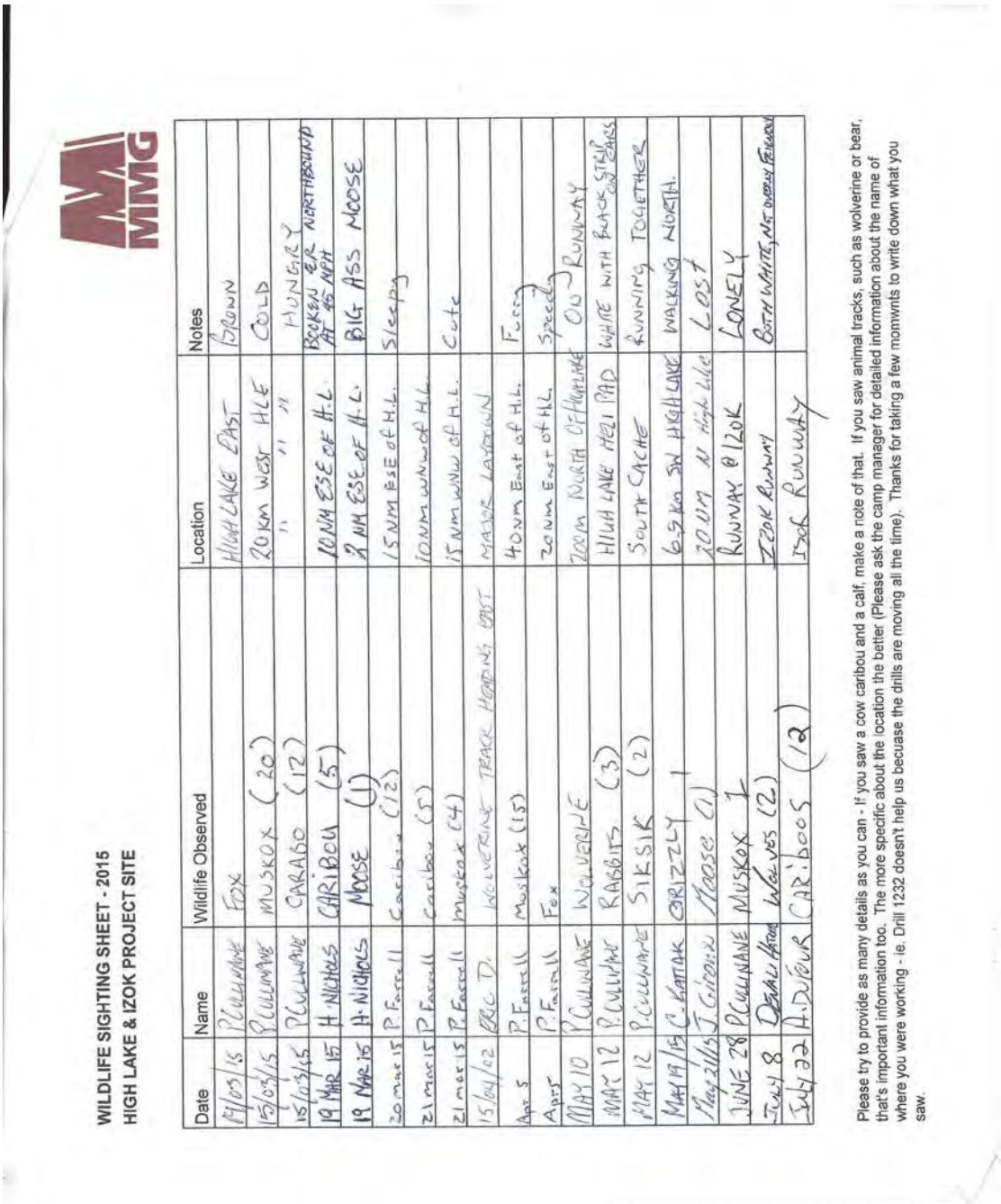
Appendix IV : Water Analysis Results

N/A No drilling was carried out during the 2015 field season

Appendix V : Water Sampling Location Photos

N/A No drilling was completed during the 2015 field season.

Appendix VI : Wildlife Sightings Log



MMG

WILDLIFE SIGHTING SHEET - 2015
HIGH LAKE & IZOK PROJECT SITE

Date	Name	Wildlife Observed	Location	Notes
14/03/15	P.Cullwane	Fox	HIGH LAKE EAST	BROWN
15/03/15	P.Cullwane	MUSKOX (20)	20KM WEST HLE	COLD
15/03/15	P.Cullwane	CARIBOU (12)	" " "	HUNGRY
19 MAR 15	H. Nichols	CARIBOU (5)	10 NM ESE OF H.L.	BROKEN E/R NORTHBOUND AT 45 MPH
19 Mar 15	H. Nichols	Moose (1)	2 NM ESE OF H.L.	BIG ASS MOOSE
20 mar 15	P. Farrell	Caribou (12)	15 NM ESE of H.L.	Sleepy
21 mar 15	P Farrell	Caribou (5)	10 NM WNW of H.L.	
21 mar 15	P. Farrell	muskox (4)	15 NM WNW of H.L.	Cute
15/04/02	ERIC. D.	WOLVERINE TRACK HEADING EAST	MAJOR LANDMARK	
Apr 5	P. Farrell	muskox (15)	40NM East of H.L.	Fuzzy
Apr 5	P. Farrell	Fox	20 NM East of HL	Speedy
MAY 10	P. Cullwane	WOLVERINE	200M NORTH OF HIGHLAKE	OLD RUNWAY
MAY 12	P. Cullwane	RABBITS (3)	HIGH LAKE HELI PAD	WHITE WITH BLACK STRIPS AND EARS
MAY 12	P. Cullwane	SIKSIK (2)	SOUTH CACHE	RUNNING TOGETHER
MAY 19/15	C. KATTAK	GRIZZLY 1	6.5 KM SW HIGH LAKE	WALKING NORTH.
May 21/15	T. Catalan	Moose (1)	20 KM N High Lake	LOST
JUNE 28	P.Cullwane	Muskox 1	RUNWAY @ IZOK	LONELY
July 8	Dogsled Patrol	Wolves (2)	IZOK RUNWAY	BOTH WHITE, NOT OVERLY FRIENDLY
July 22	H. Dufour	CARIBOU (12)	IZOK RUNWAY	

Please try to provide as many details as you can - If you saw a cow caribou and a calf, make a note of that. If you saw animal tracks, such as wolverine or bear, that's important information too. The more specific about the location the better (Please ask the camp manager for detailed information about the name of where you were working - ie. Drill 1232 doesn't help us becuase the drills are moving all the time). Thanks for taking a few momwnts to write down what you saw.

Appendix VII : Waste Control Documentation

Monthly Incineration Tracking Sheet

MMG

	Pacto (LBS)	Kitchen Waste (LBS)	Cardboard (LBS)	Wood (LBS)	Household (LBS)	Initials
01/03/2015						
02/03/2015						
03/03/2015		OPEN	HIGH	LAKE		
04/03/2015						
05/03/2015	11	18	10	0	0	RC
06/03/2015	6	14	2	10	0	RC
07/03/2015	8	15	6	25	10	
08/03/2015	12	20	15	20	20	RC
09/03/2015	10	16	10	15	7	
10/03/2015	11	18	10	0	7	RC
11/03/2015	12	16	8	12	15	
12/03/2015	14	21	12	5	10	RC
13/03/2015	8	19	15	0	5	
14/03/2015	7	22	10	0	0	ED
15/03/2015	10	16	10	15	7	KF
16/03/2015	12	16	7	11	14	RC
17/03/2015	6	14	2	10	0	KF
18/03/2015	15	40	15	5	10	
19/03/2015	12	30	5	0	5	
20/03/2015	8	38	0	10	8	AD
21/03/2015	10	35	5	5	10	AD
22/03/2015	11	42	10	0	0	RC
23/03/2015	15	36	5	0	5	ED
24/03/2015	13	37	0	0	5	
25/03/2015	8	19	15	0	5	C.K
26/03/2015	14	21	12	5	10	C.K
27/03/2015	12	23	11	0	5	RC
28/03/2015	14	40	0	0	7	
29/03/2015	8	38	5	5	10	RC
30/03/2015	12	31	6	5	5	RC
31/03/2015	15	40	15	5	10	CK

Monthly Incineration Tracking Sheet

MMG

	Pacto (LBS)	Kitchen Waste (LBS)	Cardboard (LBS)	Wood (LBS)	Household (LBS)	Initials
01/04/2015						
02/04/2015	18	30	5	0	4	
03/04/2015	20	30	5	0	3	
04/04/2015	15	25	7	0	6	
05/04/2015	35	30	0	5	0	
06/04/2015	20	35	5	0	5	
07/04/2015	20	40	0	0	2	
08/04/2015	23	30	0	5	0	
09/04/2015	17	19	0	0	0	PC
10/04/2015						
11/04/2015		DEMOB HIGH LAKE				
12/04/2015						
13/04/2015						
14/04/2015						
15/04/2015						
16/04/2015						
17/04/2015						
18/04/2015						
19/04/2015						
20/04/2015						
21/04/2015						
22/04/2015						
23/04/2015						
24/04/2015						
25/04/2015						
26/04/2015						
27/04/2015						
28/04/2015						
29/04/2015						
30/04/2015						
01/05/2015						

Waste Removal Records

March

High Lake Incinerator Record

Item	Date	1/3/13	2/3/13	3/3/13	4/3/13	5/3/13	6/3/13	7/3/13	8/3/13	9/3/13	10/3/13	11/3/13	12/3/13	13/3/13	14/3/13	15/3/13	16/3/13	17/3/13	18/3/13	19/3/13	20/3/13	21/3/13	22/3/13	23/3/13	24/3/13	25/3/13	26/3/13	27/3/13	28/3/13	29/3/13	30/3/13	31/3/13	TOTALS
Pacto	lbs								13.00	6.00	5.50	6.00	12.00	13.00	12.00	12.00	16.00	19.00	20.00	19.00	14.00	14.00	12.00	12.00	12.00	10.00	10.00	10.00	8.00	10.00	10.00	9.00	284.5
Kitchen	lbs								10.00	15.00	12.00	15.00	14.50	16.00	14.50	15.00	14.00	14.00	14.50	15.00	15.50	15.00	15.50	14.50	13.50	16.00	16.00	16.50	17.00	13.00	13.00	14.50	349.5
Cardboard	lbs								30.00	10.00						30.00	5.00	20.00	10.00	20.00	70.00										20.00		215
Wood	lbs																							40.00									40
Household	lbs								3.00		10.00	5.00	10.00		29.50	10.00	15.00	5.00	10.00	4.00	28.00	9.00	0.00	13.00	11.00	0.00	0.00	0.00	7.00	5.00	0.00	0.00	174.5
Total	lbs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	56.00	31.00	27.50	26.00	36.50	29.00	56.00	67.00	50.00	58.00	54.50	58.00	127.50	38.00	27.50	39.50	76.50	26.00	26.00	26.50	32.00	28.00	43.00	23.50	

Mothly Total	lbs	1063.500

High Lake Waste Removal Record

Recycling	bag			0.00		2.00										3.00		0.00		1.00						0.00				0.00	0.00	6.00
Refundables	bag			0.00		1.00										2.00		0.00		1.00						0.00				0.00	0.00	4.00
Ash	drum			0.00		4.00										5.00		0.00		1.00						8.00				0.00	0.00	18.00
Waste Oil	drum			0.00		4.00										0.00		0.00		3.00						3.00				0.00	0.00	10.00
Oil Filters	drum			0.00		0.00										0.00		0.00		0.00						0.00				0.00	0.00	0.00
Oil Containers	M3			0.00		0.00										0.00		0.00		0.00						0.00				0.00	0.00	0
Misc Garbage	M3			0.00		0.00										0.00		0.00		0.00						0.00				0.00	4.00	4
Batteries / Areosols	bag			0.00		2.00										0.00		0.00		4.00						0.00				0.00	0.00	6.00
Empty Drums	each			0.00		0.00										0.00		0.00		3.00						0.00				0.00	880.00	883.00

Mothly Total	M3	13.000

April

High Lake Incinerator Record

Item	Date	1/4/13	2/4/13	3/4/13	4/4/13	5/4/13	6/4/13	7/4/13	8/4/13	9/4/13	10/4/13	11/4/13	12/4/13	13/4/13	14/4/13	15/4/13	16/4/13	17/4/13	18/4/13	19/4/13	20/4/13	21/4/13	22/4/13	23/4/13	24/4/13	25/4/13	26/4/13	27/4/13	28/4/13	29/4/13	30/4/13		TOTALS
Pacto	lbs	12.00	12.00	12.00	12.00	12.00	12.00																									72
Kitchen	lbs	15.00	15.50	14.50	13.50	16.00	16.00																									90.5
Cardboard	lbs	0.00	20.00	0.00	0.00	0.00	5.00																									25
Wood	lbs	0.00	0.00	0.00	0.00	0.00	0.00																									0
Household	lbs	0.00	0.00	0.00	0.00	0.00	5.00																									5
Total	lbs	27.00	47.50	26.50	25.50	28.00	38.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

Mothly Total	lbs	192.500

High Lake Waste Removal Record

Recycling	bag		2.00			0.00	0.00																									2.00
Refundables	bag		1.00			0.00	0.00																									1
Ash	drum		4.00			0.00	0.00																									4.00
Waste Oil	drum		1.00			0.00	0.00																									1
Oil Filters	drum		0.00			0.00	0.00																									0
Oil Containers	M3		0.00			0.00	0.00																									0
Misc Garbage	M3		0.00			0.00	0.00																									0
Batteries / Areosols	bag		0.00			0.00	0.00																									0
Empty Drums	each		0.00			0.00	0.00																									0

Mothly Total	M3	1.625

Appendix VIII : KBL Environmental Waste Disposal Certificates

KBL Environmental LTD.

Certificate of Disposal

Date: April 2, 2015

KBL Job #K2398
Invoice #4097

KBL Environmental Ltd hereby certifies that the waste shipped from MMG-High Lake, on KBL Bill of Lading #6202 and federal manifest NT09056-2 which was received at KBL Environmental Ltd. on March 12th, 2015 and has been processed, recycled/disposed of in accordance with all applicable Federal and Territorial /Provincial Regulations.

Generator:
MMG
NUG 1000056

Issued By:
Jeff Bembridge
Operations Manager
KBL Environmental Ltd.
NTR 0000123

PO Box 1108 - 17 Cameron Road - Yellowknife, NT - X1A 2N8

KBL Environmental LTD.

Certificate of Disposal

Date: April 22, 2015

KBL Job #K2431
Invoice #4173

KBL Environmental Ltd hereby certifies that the waste shipped from MMG, on KBL Bill of Lading #5855 which was received at KBL Environmental Ltd. on April 2nd, 2015 and has been processed, recycled/disposed of in accordance with all applicable Federal and Territorial /Provincial Regulations.

Generator:
MMG
NUG 1000056

Jeff Bembridge

Issued By:
Jeff Bembridge
Operations Manager
KBL Environmental Ltd.
NTR 0000123

PO Box 1108 - 17 Cameron Road - Yellowknife, NT - X1A 2N8

KBL Environmental LTD.

Certificate of Disposal

Date: May 8, 2015

KBL Job #K4259
Invoice #4219

KBL Environmental Ltd hereby certifies that the waste shipped from MMG, on KBL Bill of Lading #6077 and federal manifest NT09106-5 which was received at KBL Environmental Ltd. on April 17th, 2015 and has been processed, recycled/disposed of in accordance with all applicable Federal and Territorial /Provincial Regulations.

Generator:
MMG
NUG 1000056

Issued By:
Jeff Bembridge
Operations Manager
KBL Environmental Ltd.
NTR 0000123

PO Box 1108 - 17 Cameron Road - Yellowknife, NT - X1A 2N8

KBL Environmental LTD.

Certificate of Disposal

Date: June 1, 2015

KBL Job #K2506
Invoice #4329

KBL Environmental Ltd hereby certifies that the waste shipped from MMG, on KBL Bill of Lading #5776 and federal manifest NT09146-1 which was received at KBL Environmental Ltd. on May 13th, 2015 and has been processed, recycled/disposed of in accordance with all applicable Federal and Territorial /Provincial Regulations.

Generator:
MMG
NUG 1000056

Issued By:
Jeff Bembridge
Operations Manager
KBL Environmental Ltd.
NTR 0000123

PO Box 1108 - 17 Cameron Road - Yellowknife, NT - X1A 2N8

Appendix IX : Waste Management Plan

WASTE DISPOSAL PLAN

SLAVE PROJECTS

AMMENDED OCTOBER 2012

MMG RESOURCES
26 – 1177 W. HASTINGS ST.
VANCOUVER, BC
V6E2K3

Guidelines for Waste Incineration

1. All waste will be categorized and any materials not in accordance with the Department of Environments Policy “Municipal Solid Wastes Suitable for Open Burning” will be removed from the waste stream. Only kitchen waste, sewage, and untreated wood and paper products are approved for incineration.
2. Kitchen and human waste is to be collected and incinerated on a daily basis. If volumes warrant then twice daily.
3. “wet” biological waste from kitchens or toilet facilities will be mixed in small volumes with more combustible paper and cardboard materials to ensure total elimination during incineration.
4. A suitable temporary storage facility for garbage awaiting incineration is required that is impervious to wildlife and decreases odours.
5. Any recyclable materials (plastic bottles, aluminium cans) will be separated, packaged appropriately for transport and removed from site for handling in Yellowknife.
6. Clearly marked separate containers for easy categorization of refuse is encouraged.
7. Any industrial refuse contaminated with petroleum based products from lubricants, fuels, or additives will be appropriately packaged for transport to Yellowknife and handling by KBL.
8. Any batteries, chemicals, or other waste categorized as dangerous or hazardous goods will be appropriately packaged and transported to Yellowknife for proper handling and disposal KBL.
9. Records will be kept of all refuse shipped to Yellowknife for disposal, including date, volume, and category. Chain of custody and final disposal records will be requested from Expediter and KBL Environmental to fully document waste disposal. Copies of final disposal records will be provided to AANDC with annual reports.

Waste handling procedure and incinerators at exploration camp locations will be inspected on a monthly basis and reviewed for adequacy and performance in regards to the waste stream that they handle, with the following specifics in mind:

- Operating temperature and complete incineration of waste.
- Composition of remaining ash
- Containment of liquid waste within combustion chamber and structural integrity of the burn chamber.
- Integrity and proper function of the stack.
- Care and maintenance of incinerator and burner.
- Accuracy of records and reporting of transport and disposal

For further information the following documents should be consulted:

- Environment Canada's guide to batch incineration
- Nunavut's Environmental Guideline for the Burning and Incineration of solid wastes

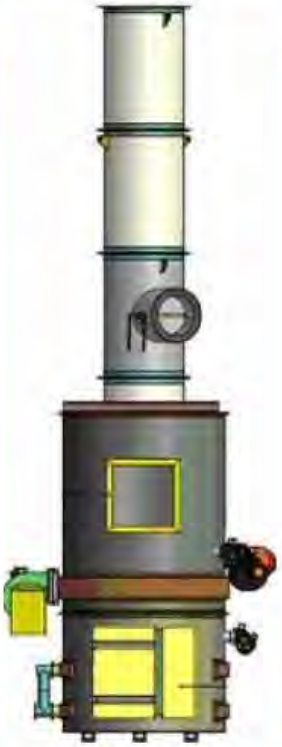
Environment Canada Environnement Canada

Fact Sheet: Technical Document for Batch Waste Incineration

The *Technical Document for Batch Waste Incineration* provides guidance for owners, operators and regulators on the appropriate incineration technologies and best management practices to minimize releases of toxic substances into the environment.

Six Steps to Better Incineration

1. Understand Your Waste Stream
2. Select the Appropriate Incinerator (or Evaluate the Existing System)
3. Properly Equip and Install the Incinerator
4. Operate the Incinerator for Optimum Combustion
5. Safely Handle and Dispose of Incinerator Residues
6. Maintain Records and Report



For more information, please see the complete document at:
www.ec.gc.ca/gdd-mw/default.asp?lang=En&n=F53EDE13-1

Contact information:
TMB@ec.gc.ca or 819-997-3377

Canada

More Details About the Six-Step Process for Batch Waste Incineration

1

Understand Your Waste Stream

The first step in managing your waste is understanding what the waste is. Perform a waste audit to understand its quantity and composition. Based on the results, you can assess what appropriate disposal options should be undertaken. Remember the "3Rs": Reduce, Reuse and Recycle.

2

Select the Appropriate Incinerator (or Evaluate the Existing System)

To ensure that a suitable incinerator is chosen, the call for proposals for incinerator manufacturers who want to provide service for you should include specific information on the characteristics of the residual waste stream you need to dispose of. For facilities with existing incinerators, owners/operators should reassess the suitability of the existing system to manage the current waste stream. The recommended configuration is a dual chamber controlled air incinerator.

3

Properly Equip and Install the Incinerator

Make sure that building and equipment considerations are well planned during the design phase, before installing the incinerator.

4

Operate the Incinerator for Optimum Combustion

To ensure optimum combustion conditions, the incinerator must be operating correctly. Proper operation includes separating the waste, weighing it, mixing it for a specified calorific value, and closing the incinerator door once the waste is loaded, and not re-opening it until the burn is complete. Important considerations such as appropriate operator safety training should be completed.

5

Safely Handle and Dispose of Incinerator Residues

Ash from the primary chamber of the incinerator can contain materials that are hazardous to the operator's health and to the environment. Operators should use personal protective equipment when handling this material. The ash should be disposed of at an approved disposal site.

6

Maintain Records and Report

To demonstrate appropriate operation and maintenance of the incinerator, the facility must maintain records and prepare an annual report.

For more information, please see the complete document at:
www.ec.gc.ca/gdd-mw/default.asp?lang=En&n=F53EDE13-1

Contact information:
TMB@ec.gc.ca or 819-997-3377

Cat. No.: En14-17/3-2011E-PDF
ISBN: 978-1-100-17784-7

MMG – WASTE CONTROL DOCUMENT

DATE	CATEGORY	DESCRIPTION	WEIGHT	DESTINATION

WASTE CATEGORY	SYMBOL
RECYCLABLE MATERIAL	REC
INCINERATOR ASH	ASH
SCRAP METAL / INDUSTRIAL WASTE	IND
EMPTY DRUMS	DRM
PETROLEUM PRODUCTS	PET
HAZARDOUS	HAZ

Appendix X : Spill Contingency Plan

The complete Spill Contingency Plan is provided in digital format

Appendix XI : Abandonment and Restoration Plan

The complete Abandonment and Restoration Plan is provided in digital format

Appendix XII : 2015 Photos

HIGH LAKE

Cutting historic drill casing off at ground level.

Remaining drill steel and equipment in South laydown photo **2014**

Same drill steel moved to laydown area and stacked for removal **2015**

High Lake Camp **August 2014** showing helicopter pad to left of photo. Structures circled in blue have been removed.

High Lake site 2015 looking East. (blue circles denote areas where structures removed)

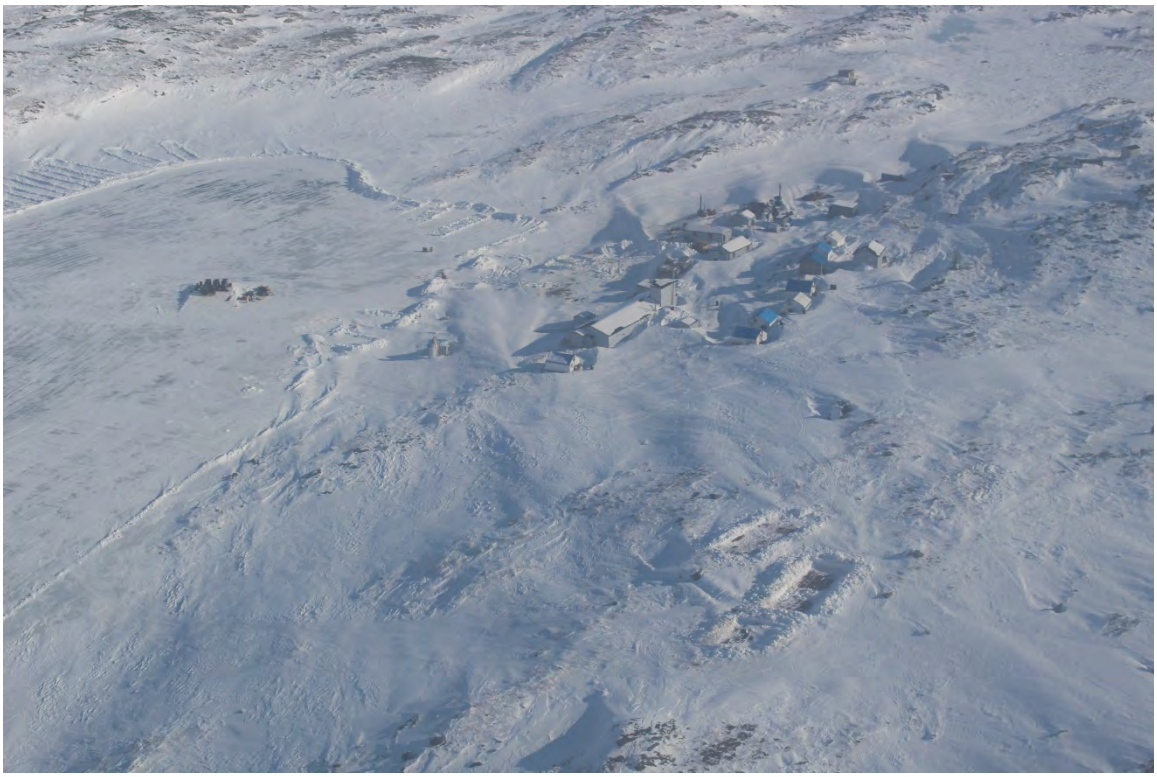
High Lake site 2015 looking South. (blue circles denote areas where structures removed)

Fuel on ice and ready for removal by airlift 2015

Crushed fuel drums on ice ready for removal by airlift 2015

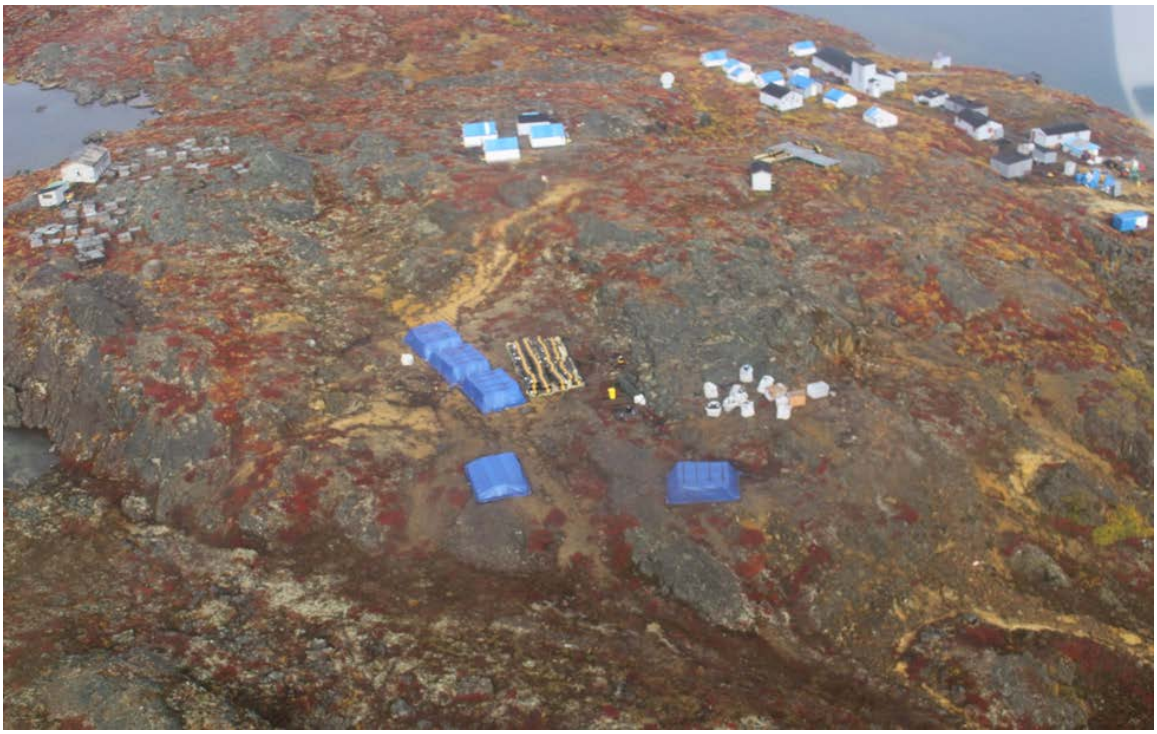
Drill equipment on ice ready for removal by airlift 2015

North fuel cache **2014**



North fuel cache with fuel drums recently removed for transport **March 2015** (note equipment placed on lake ice for removal and camp buildings prior to removal)

North fuel cache post reclamation **July 2015**



South fuel cache area **2014** (note camp structures now removed)

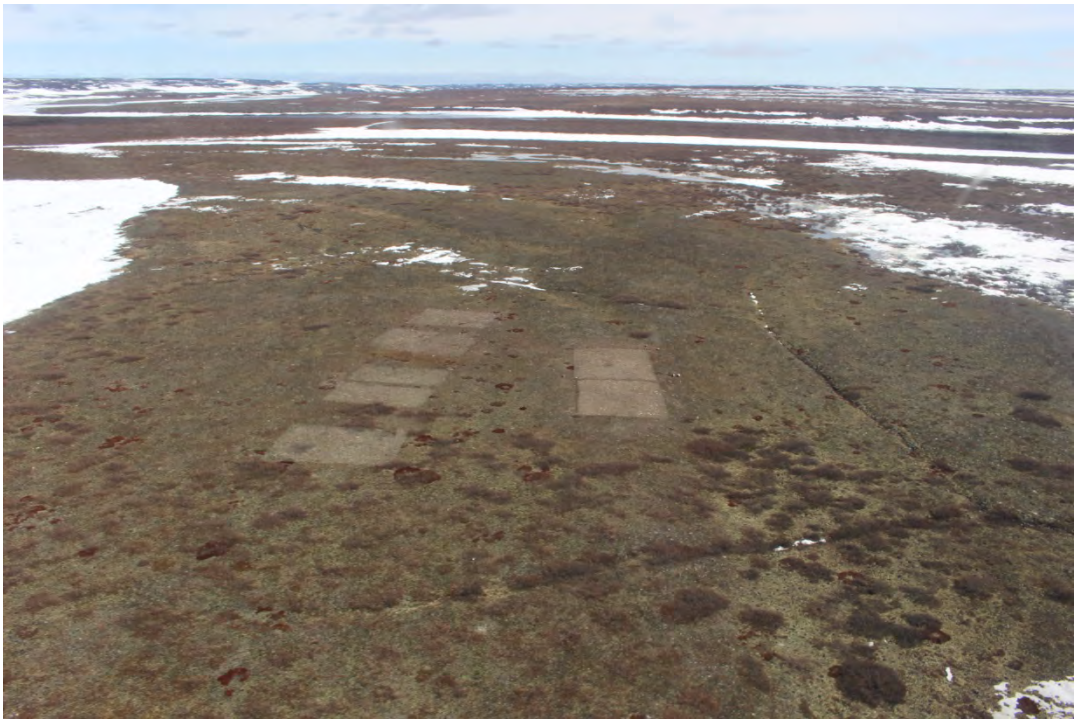
South fuel cache during process of removing drums for transport **March 2015**

South fuel cache area post reclamation **July 2015**. Note that soil and rock colour is naturally occurring due to oxidation of sulphide minerals in the deposit.

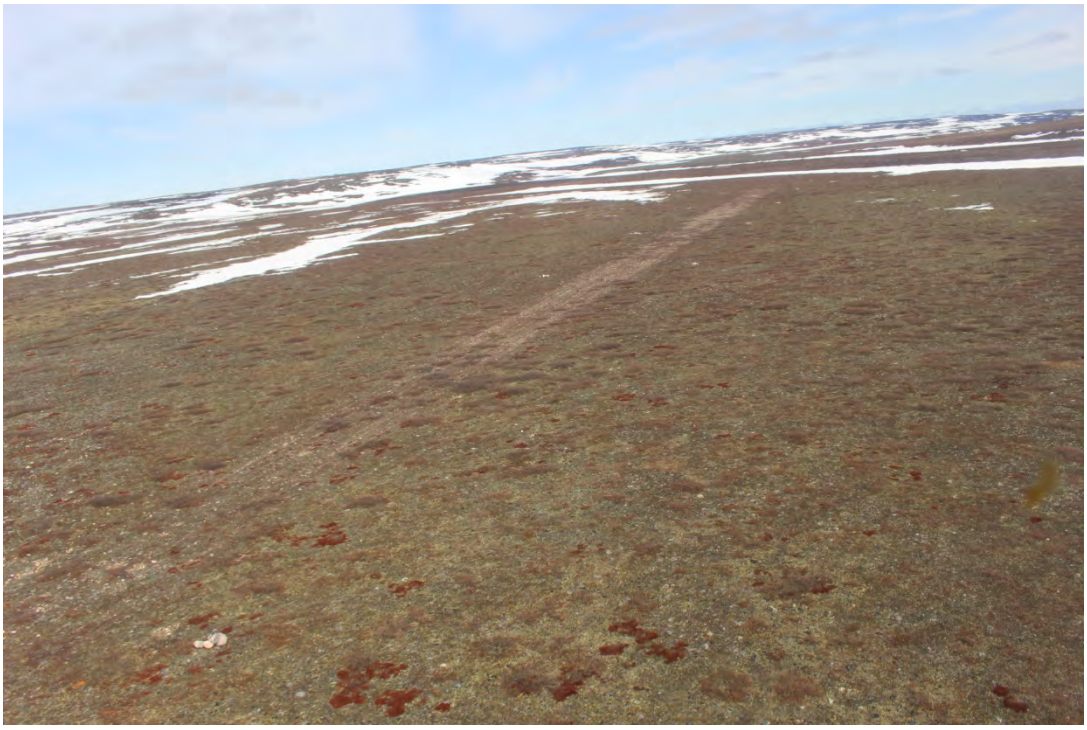
HIGH LAKE EAST

High Lake East March 2015 pre-reclamation looking Northwest. (blue circles highlight the core racks that are seen to remain in the picture below, the stacked core is under snowcover)

High Lake East post reclamation with only drill core remaining on site July 2015.



High Lake East site 2015



High Lake East Airstrip 2015

Figure 5 : High Lake Layout – post 2015 reclamation